UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

8/6/02

DEB

Opposition No. 123,199

Warren Oil Company, Inc.

v.

Carwell Products, Inc.

Before Hohein, Walters and Bucher, Administrative Trademark Judges.

Bucher, Administrative Trademark Judge:

An application has been filed by Carwell Products, Inc. to register the mark LUBRIGUARD for "lubricants; namely anti-corrosive, rust protection lubricant," in International Class 4.[1]

Registration has been opposed by Warren Oil Company, Inc. on the ground that opposer is the prior owner of the mark LUBRIGUARD used in connection with motor oil and other

[1] Ser. No. 76/011,464, filed on March 28, 2000, which is based upon an allegation of a *bona fide* intention to use the mark in commerce.

related petroleum products such as transmission fluid, hydraulic fluid and machine oils.

Applicant, in its answer, has denied the salient allegations of the notice of opposition.

This case now comes up (1) on opposer's motion for summary judgment, filed on February 28, 2002, which seeks a holding of priority of use and of likelihood of confusion, and (2) on applicant’s motion, filed on March 28, 2002, for the imposition of judgment against opposer as a sanction for its “signing and filing of a frivolous motion for summary judgment in this Opposition with the sole and improper purpose of harassing and imposing needless costs upon [applicant].” As context for these motions and the harsh exchanges between applicant and opposer, a brief chronology, based upon the declarations of the principals of applicant and of opposer, is in order.

Specialty Oil Company/Industrial Lubricants Company adopted the mark LUBRIGUARD and began using it in connection with industrial lubricants in 1981. In January 1995, Quaker State Oil Company purchased Specialty Oil, including a manufacturing plant in San Antonio, Texas. Then in 1998, Pennzoil Oil Company and Quaker State Oil Company combined to form Pennzoil-Quaker State (PQS). In addition to its market-leading brands (PENNZOIL and QUAKER

STATE), the lubricants and consumer products business segment of PQS continued to market a wide variety of lubricants under the LUBRIGUARD mark. Then in January 2001, opposer purchased from PQS the San Antonio plant formerly owned by Specialty Oil. The assets of this purchase included, *inter alia*, the transfer of common law rights in the unregistered LUBRIGUARD mark and the goodwill associated therewith.

In 1999, applicant decided to rename its CP-90 rust inhibitor – a lubricant designed to control corrosion on vehicles and other equipment. After working with a consulting company and reviewing a Thomson and Thomson trademark search report, applicant adopted the mark LUBRIGUARD for its rust protection lubricant. The instant intent-to-use application was filed in March 2000, and sales were initiated soon thereafter (although no amendment to allege use has been filed) – especially to various municipal and commercial fleets in upstate New York. The involved application published for opposition on February 6, 2001, and following several timely requests for extension of time, the current opposition was filed by opposer on June 8, 2001.

As a general proposition, summary judgment is an appropriate method of disposing of cases in which there are

no genuine issues of material fact in dispute, thereby allowing the proceeding to be resolved as a matter of law. Fed. R. Civ. P. 56(c). The party moving for summary judgment has the burden of demonstrating the absence of any genuine issue of material fact and that it is entitled to a judgment as a matter of law. *See Celotex Corp. v. Catrett*, 477 U.S. 317 (1986). The evidence pertaining to such a motion, moreover, must be viewed in a light favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. Thus, in considering the propriety of summary judgment, the Board may not resolve issues of material fact against the non-moving party; it may only ascertain whether such issues are present. See *Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027, 2029 (Fed. Cir. 1993); *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992); and *Olde Tyme Foods, Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542, 1544 (Fed. Cir. 1992).

Upon careful consideration of the arguments and evidence presented, we find that there are no genuine issues of material fact on the following issues: that opposer has prior rights to the mark LUBRIGUARD as applied to a wide variety of lubricants (Billy G. Stewart

affidavit, ¶¶5-10; Ed Davis affidavit, ¶¶3-7); that the marks are identical; that for purposes of this proceeding, the goods of both parties must be deemed to be legally identical – lubricants touted for their anticorrosive and rust protection; that in spite of applicant's marketing emphasis targeting fleets of vehicles, the U.S. Army, and the like, given the absence of any restrictions in the involved application as to trade channels, it must be presumed that the channels of trade for applicant's goods are, or will be, the same as that for opposer's goods, and hence, that ordinary consumers at retail would be common customers; and that despite the fact that the mark is suggestive, opposer has demonstrated that its mark is fairly well-known because opposer and its predecessors have used the mark on lubricants for more than twenty years, and have sold tens of millions of dollars worth of LUBRIGUARD lubricants each year since at least 1996.[2]

Accordingly, we grant opposer's motion for summary judgment based upon priority of use and a likelihood of confusion.

[2] The exact figures are labeled "Highly Confidential" and are appropriately covered by the parties' Consent Protective Order on Confidentiality of October 2, 2001.

Finally, we turn briefly to applicant's motion for sanctions against opposer. If a party files a paper in an *inter partes* proceeding before the Board which violates the provisions of Rule 11 of the Federal Rules of Civil Procedure, the Board clearly has the authority to enter appropriate sanctions against such party, up to and including the entry of judgment (See 37 CFR §2.116(a)). However, opposer's filing of the present motion for summary judgment was entirely appropriate under the circumstances. Contrary to applicant's position, there is nothing in opposer's conduct related to this proceeding that represents a violation of Fed. R. Civ. Proc. §11.[3] Thus, we deny applicant' motion for the imposition of sanctions.

Decision: This opposition is sustained and registration to applicant is refused.

[3] Ongoing attempts between the parties to reach a settlement agreement would not toll the running of the discovery periods or of opposer's deadline for filing a potentially dispositive motion. Hence, there is no reason in logic or in the law why failed attempts between the parties to reach a settlement agreement should preclude opposer's filing of its summary judgment motion.